GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:844
ANSWERED ON:27.07.2001
INCOME TAX DEMAND AGAINST CRICKET BOARD
SULTAN SALAHUDDIN OWAISI

Will the Minister of FINANCE be pleased to state:

(a) whether the Income-Tax Department has withdrawn the tax exemption for the Cricket Board and has slapped Rs. 10 crore demand notice on it;

(b) if so, whether the Board was exempted from Income-Tax under provisions 10(23) of the IT Act since 1992-93;

(c) if so, the circumstances under which the Government imposed tax on Cricket Board;

(d) whether this step of the Government is likely to affect the sports activities in the country; and

(e) if so, the details thereof and steps being taken to maintain status quo in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N.RAMACHANDRAN)

(a): A demand of Rs.10.17 crores was raised for the violation of conditions stipulated in the notification granting exemption to Board of Control for Cricket in India(BCCI) by the Assessing Officer for the Assessment Years 1998-99.

(b): Yes, exemption from tax u/s 10(23) was granted to BCCI from A.Ys. 90-91 to 98-99 subject to certain conditions.

(c): The tax was levied after survey u/s 133A of the IT Act at the office premises of the Treasurer of BCCI at Jaipur.

(d): This step is not likely to affect the sports activities in the country as the demand has been raised in accordance with the provisions of law in this regard.

(e): Does not arise, in view of (d) above.